

S
351.826 Mont.)
- C18ins Inside

VOL 2 # 2
March + April 1986

Inside

PUBLISHED BY THE MONTANA DEPARTMENT OF COMMERCE

Volume 1 Number 2
March - April 1986

STATE DOCUMENTS COLLECTION

DEC 21 1988

MONTANA STATE LIBRARY
1515 E. 6th AVE.
HELENA, MONTANA 59620

PLEASE RETURN



Montana State Library

3 0864 1005 0682 6

Montana Magazine was mailed to group tour operators with a brightly colored folder attached that highlighted the travel options or places of interest that were covered within the magazine.

Finalist awards went to the Business Assistance Division for "Made in Montana" billboards, point-of-purchase displays and Christmas posters. The Montana Promotion Division received a finalist award for the Montana highway map. Wendt Advertising of Great Falls is the agency for both divisions.

First-place winners in the Montana Addy Awards will advance to a regional competition for the American Advertising Federation's "Best in the West" awards.

BEST IN THE WEST?

ADDY awards announced

The Montana Department of Commerce was the winner of four first-place trophies and eight finalist awards in the 1985 Montana ADDY Awards competition held February 8 at the Great Falls Civic Center.

The Montana ADDY Awards is an annual statewide competition sponsored by the Montana Advertising Federation to recognize the best advertising created during the previous calendar year. Winners in the 1985 competition were selected from more than 400 entries by judges from Colorado, South Dakota and Washington.

The Business Assistance Division won first-place trophies for its business recruitment color magazine supplement, the

"Made in Montana" public service radio spot and the Montana Products Market postcard series.

The Montana Products Market, reported in a previous issue of *Inside*, was the state's largest buying event, organized by the department and the Montana Retail Association. It helped buyers view Montana products and place orders with market exhibitors. The winning postcard design, which reminds participants that next summer more than two million tourists will ask about Montana-made products, was used as a market invitation.

The Montana Promotion Division was also awarded a first-place trophy in the direct-mail category for its triangle-shaped folders that are designed to be placed over the corner of a magazine. In this promotion,

**What
would
you say
to two
million
new
customers
=?**

Inside Commerce is published six times a year as an informational and educational tool for Montanans interested in public policy implementation through the Department of Commerce.

Keith L. Colbo, *Director*
Sandy Courtnege, *Editor*
Alene Gorecki, *Production Mgr.*
Brenda Spurlock, *Assistant*
Newsletter contributors:

Business Assistance Division

Penny Price Freeman

Ann Mulrone

Business Regulation Division

Steve Meloy

Shirley Miller

Local Government Assistance Division

Dave Cole

Carol Ferguson

Montana Economic Development Board

David Ewer

Montana Promotion Division

Julie Davies

John Wilson

MT Science and Technology Alliance

Elinor Edmunds

Samuel Hubbard

Office of Economic Analysis

Steve Huntington

Ralph Yaeger

In this issue

Technology investments

Mining precious metals

Governor's Council
studies issues

Certified cities update

Perspectives



Governor Ted Schwinden

The *National Journal*'s last issue of 1985 carried a story that I'd like to share. The story examined two small Missouri towns—Cuba and Ironton—that have been hurt by tough international competition in the shoe and mining industries. The president of an Ironton bank is quoted as saying, "The best thing they could do is find somebody to go into the (closed) Brown Shoe Factory." But, as the article concluded, while that assessment may be right, "If everyone waits for 'they' to do it, it may never get done."

The story goes on to explain that while Ironton waits for business opportunities to come to it, Cuba's "never say die" attitude is attracting new businesses—the reopening of the shoe company, the relocation of a New Hampshire corporation, a new barrel factory and a thoroughbred training facility.

Both communities faced shutdowns and high unemployment. Both had access to the same state and federal economic development assistance. But the contrast between the communities is striking: only one mustered the two essentials for success—motivated, innovative leadership and genuine local cooperation.

The Build Montana programs currently in place can help keep an area's economy on the move. But, as with any economic development effort, the relationship between government and the private sector must be a two-way street. A workable, progressive economic development program is built from the ground up, not from the Capitol down.

In an effort to encourage this needed "grass roots" enthusiasm and support, I recently implemented what will become a series of state government visitations to communities across the state. My goal is to strengthen the communication links already established between the public and private sector and the visitations, or "Local Economic Advisory Days" as we are calling them, will allow me and the Department of Commerce to accomplish several valuable parts of our own economic development agenda.

The day is designed by the local residents, for the local residents. People who live—and make a living—in an area logically know their own economic concerns best. We, in turn, have an opportunity to really look, listen and learn about the area's economy. We want to hear local views about the proper role of state government in economic development. Is there an ideal public/private integration of effort? And what can we, in state government, do to improve Montana's economic development? These are just a few of my interests and I want to hear yours.

The town of Hamilton hosted the inaugural Local Economic Advisory Day and our tour schedule included visits throughout the Bitterroot Valley. Businesses in the area are producing everything from vaccines to sporting goods to log homes. We recognize that a diversified economic base is one important ingredient in economic stability and prosperity and, in this regard, the Bitterroot Valley offers considerable opportunity.

The enthusiasm and the solid business and community leadership evidenced in the "Hamilton Network" (the product of several local development groups) was truly gratifying and illustrated to me that the area also has the other essential ingredients needed to build a vital local economy—motivated, innovative leadership and genuine local cooperation.

The Hamilton Local Economic Advisory Day was an unqualified success. It will be a "tough act to follow" but I am confident that we will continue to find success stories as we visit other communities throughout Montana.

Ted Schwinden

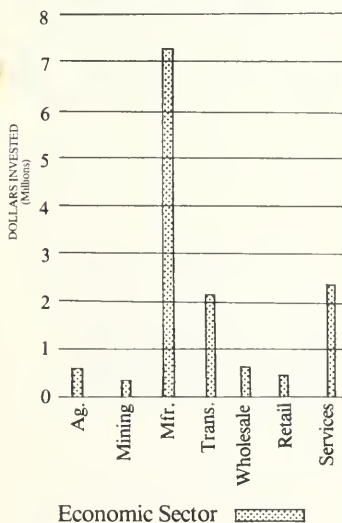
MEDB ACTIVITY REPORT

Coal tax loan program

As of January 31, 1986, the board had loaned or committed 49 percent of its funds available for investment in the Montana economy. The accompanying graphics illustrate the dollars invested by economic sector.

Manufacturing accounted for the largest dollar volume, \$7,230,091 given to 20 borrowers; services received \$2,288,651 for six borrowers; transportation received \$2,158,162 for six borrowers; agriculture received \$546,000 for two borrowers; wholesale received \$476,172 for one borrower; retail received \$436,500 for three borrowers and mining received \$296,429 for one borrower. A total of 39 borrowers received \$13,432,005.

Coal Tax Loan Program
Investment by Economic Sector
January 31, 1986



Industrial development bond program

This program includes both pooled and stand-alone issues. There were four users in the stand-alone program totaling \$12,475,000: two borrowers in the service industry used \$8,200,000; one borrower in the transportation industry used \$3,925,000;

and one borrower in the manufacturing industry used \$350,000.

The pooled industrial development bond program had 19 borrowers receiving \$7,156,405. In the finance, insurance and real estate industry 10 borrowers used \$3,431,000; six borrowers used \$2,526,905 in the service industry; one borrower used \$662,500 in the retail industry; one borrower used \$350,000 in the wholesale industry; and one borrower used \$186,000 in the transportation industry.

Montana capital companies

Of the \$2 million in tax credits available to investors in Montana capital companies, only \$244,075 has been allocated leaving \$1,755,925 to be used prior to June 30, 1987. Four Montana capital companies have qualified to do business through the board: Development Corporation of Montana, Montana Equity Ltd., Venture Capital Corp., and Montana Capital Company. In addition, the Montana Economic Development Board has certified Blaine County Development Corporation of Chinook, First Montana Capital Corporation of Ronan, Bitterroot Valley Development Corporation of Hamilton, and Great Falls Capital Corporation of Great Falls. Each of these companies is raising equity capital in order to qualify for tax credits and to become a qualified Montana capital company.

INVESTMENTS APPROVED

The Montana Science and Technology Alliance board of directors made its first investment decisions in February. ChromatoChem, Inc., a firm that plans to manufacture equipment and materials for the high performance affinity chromatography market, will receive start-up capital of \$200,000.

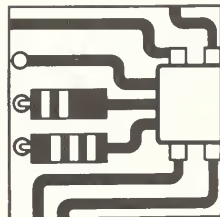
ChromatoChem has developed a new generation of affinity chromatography products. Affinity chromatography is a process by which one substance is separated from other material by means of a highly specific interaction (affinity) between the substance and a solid surface. ChromatoChem's process allows the separation procedure to be performed in a fraction of the time required by conventional methods.

The firm, founded by Richard Hammen, a Missoula native, will relocate from southern California to Missoula by mid-year and

expects to provide up to 150 jobs within five years. The firm is also expected to produce a 20 percent annual payback on the board's investment.

The alliance funding of \$200,000 will be matched by more than \$800,000 in outside funding. The University of Montana will participate in the project with ChromatoChem contracting with the university's chemistry department for a portion of the initial research and development.

The board also decided to finance a project by the Development Corporation of Montana (DCM) that will establish a network of venture capital investors in Montana. The network will bring investors and entrepreneurs together in order to provide more in-state risk capital for new technology-based business projects. The network will also establish a computerized data base that will match investor's interest to entrepreneurial needs.



DCM, a Helena-based venture capital firm headed by Richard Bourke, will receive up to \$7,100 for the project. In consideration for funding, the alliance will be a charter member and active participant in the network.

At its February meeting, the alliance also gave tentative approval to another Missoula project, Alternative Diagnostix, Inc., founded by Charles McLaughlin, which is proposing to manufacture infectious disease test kits. The kits will be used both in physicians' offices and in the home. The company expects to create up to 200 new jobs in the Missoula area by 1991. Final project approval is expected at the next board meeting, scheduled for April 7 and 8 in Helena.

MINING PRECIOUS METALS

This spring Montanans may see hard hats in the mountains of southcentral Montana where three new, large-scale, hard-rock mining projects will begin construction. In Stillwater County the Stillwater Mining Company is developing an underground platinum-palladium mine near Nye. Centennial Minerals, Inc. is letting contracts for construction of the Montana Tunnels Project, an open-cut gold, silver and zinc mine in northern Jefferson County. And, by the end of April, the Department of State Lands expects to issue the final environmental impact statement for the Jardine Joint Venture underground gold mine near Gardiner in southern Park County.



At full production, these three mineral developments will provide long-term employment for as many as 700 people and will add over \$14 million in direct wages to Montana's economy.

Stillwater Mining Company is a joint venture of Chevron Resources, Mansville Products, and Lac Minerals Ltd. of Toronto. The Stillwater mine and mill will go into production in late 1987 and will employ up to 290 people during construction and about 220 when the mine and mill are in operation. At full production, the mine will produce an average of 1,000 tons of ore a day. Based on current known reserves, the company anticipates a 30-year mine life.

The developer of the Montana Tunnels project, Centennial Minerals, Inc., is a wholly owned subsidiary of Pegasus Gold, Inc., of Canada. The mining property is owned by USMX of Colorado. Centennial expects the Montana Tunnels mine and mill to begin production in June 1987, and to employ up to 550 persons during construction and from 230 to 330 employees when in full production. Based on current known reserves, Centennial expects a 12-year mine life.

Homestake Mining Company and American Copper and Nickel, Inc. are the Jardine Joint Venture partners. The Jardine project is expected to receive its operating permit in the spring of 1986, with production beginning by late 1987 or early 1988. In full production, the mine will produce over 1,000 tons of ore a day. The Jardine project will employ about 55 people during construction and 150 when in full operation. The developer projects a 20-year mine life.

Each large-scale mineral developer, the appropriate board of county commissioners and other local government units affected by the proposed mine have prepared an impact plan and identified the increased need for local government services and facilities expected as a result of the proposed mine. The impact plan ensures that local services can be provided when and where needed as a result of the new mine and that the resulting increase in public costs will not burden existing local taxpayers.

Through the impact plans for the three large-scale mining operations, the developers have committed to pay approximately the following amounts, including tax prepayments for increased costs of local government services resulting from the mineral developments: Stillwater Mining Company, up to \$3,827,000; Centennial Minerals, Inc., \$310,000; and Jardine Joint Venture, \$545,000. In each plan the largest single cost is for reconstruction of the access road to the mine.



Only the developers of large-scale, hard-rock mines are required to prepare a local government impact plan under the Hard-Rock Mining Impact Act. By statutory definition a large-scale, hard-rock mine is one that employs an average of 75 persons during any six-month period. Within the past several months, operating permits have been issued to several mines that are not within the definition of large-scale. Among these is Nicor Minerals' new talc mine near Ennis in Madison County.

Exploration is underway for several other large-scale, hard-rock mines in Montana. By mid-1986, Western Energy Company expects to have sufficient data to decide whether to develop a proposed open-pit gold mine near Winston in Broadwater County. Western Energy has also joined with a Brazilian mining company to initiate exploration activities on potential mining properties near Lincoln. In addition, ASARCO has completed a conceptual plan and is preparing baseline studies for a possible underground copper-silver mine in Sanders County and U.S. Borax is also conducting exploration activities for a copper-silver mine in Sanders County.

WATER GRANTS AVAILABLE

Grants and long-term loans to finance water-related projects are available through Montana's Water Development Program. The program, administered by the Department of Natural Resources and Conservation, is funded by the state's coal severance tax fund and the resource indemnity trust fund.

Eligible activities include, but are not limited to, irrigation system development or repair, saline seep abatement, ground water assessment, erosion control, rural water delivery systems, municipal water supply systems, canal lining and streambank stabilization.

Any division of state or local government, as well as private individuals, associations, corporations or other nongovernmental entities are eligible for the water development loans and grants.

According to the department, approximately \$1.2 million is available for the current grant funding cycle and a similar amount is expected for the next biennium. All grants are limited to a maximum of \$100,000 per project. In addition, the state can issue general obligation bonds for loans up to a maximum of \$200,000 per project at an interest rate expected to be under 8 percent. Loans for more than \$200,000 are available to public entities at interest rates related to the bond market at the time of issue.

Projects will be evaluated and ranked based on several criteria: priority will be given to water-storage projects, projects that are part of a family farm, projects with strong public benefits or multipurpose uses and projects using water reserved under state water law.

Applications for grants and loans from public entities and grant applications from private sponsors must be submitted by May 15. Private loan applications may be submitted at any time.

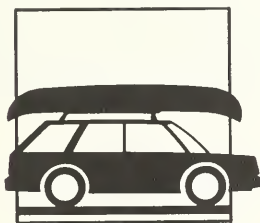
For more information, contact the Water Development Bureau, DNRC, 1520 East 6th Avenue, Helena, 444-6668.

FROM L.A. TO MONTANA

Filming contracts sought

Movie Location Coordinator Garry Wunderwald and Montana Ambassador "Buck" Torstenson had the chance to talk about Montana with hundreds of Hollywood producers, directors and film production company representatives in late February at the first annual "Location Expo '86" held in Los Angeles. In all, 67 location coordinators and film commissioners from the United States, Canada and the Bahamas attended the three-day exposition, which was termed a "terrific success" by the trade's own Hollywood reporter.

In addition to touting Montana's beauty and geographic variety, Wunderwald and Torstenson visited with film representatives about the physical ease and economic benefits of filming in Montana. "We talked about existing production facilities, the availability of talent and specific sites," Wunderwald said. He also emphasized the importance of attending the exposition in terms of the business he brought home. "I'm very excited about the Location Expo because I brought back one script and have good leads on seven other feature films. Major motion pictures create large revenues for Montana when the state is chosen as the filming location," he said.



Competition for attracting production companies is extraordinarily fierce as crews move from the backlots in Hollywood to "real" locations. Most states, provinces and countries are keenly aware of the economic benefits of this profitable, non-polluting industry and are moving quickly to capture their share of the business. The film industry contributes \$2-10 million to Montana's economy each year.

MONTANA
Naturally inviting!

SUMMER AD CAMPAIGN

Advertisements placed in several high-circulation, nationally distributed magazines have large numbers of prospective summer vacationers "bombarding" the Montana Promotion Division with requests for information about Montana. Advertising Coordinator Sandra Guedes estimates that about 25,000 inquiries for vacation planning packets were received in February alone. The division projects that 250,000 inquiries will be received this year, which would top last year's count of 242,358.

The summer advertising campaign was designed in cooperation with Wendi Advertising of Great Falls, the firm which has twice bid successfully for the division's advertising account. Elements of the campaign include:

- **The Governor's Invite-A-Friend Program.** This year more than 390,000 coupons will be distributed to Montana residents who are encouraged to send the names of friends and relatives to the Montana Promotion Division. Both the residents and the addressee will receive a vacation planning packet and a letter from the governor.

This program continues to be one of the division's most effective, both in terms of inquiries generated and cost. Montana Power and the First Bank system are supporting the program by enclosing coupons in their mailings.

- **National advertising.** In 1986, the Montana Promotion Division will advertise Montana's desirability as a vacation destination in 18 nationally distributed magazines that have a total circulation of over 21 million. Both color and black and white formats will be used in such publications as **Field and Stream**, **Travel and Leisure** and **National Geographic Traveler**.

- **Montana-Wyoming Cooperative Advertising.** A few years ago, Montana and Wyoming began pooling some advertising funds in order to generate a greater impact and to advertise our rich heritage of national parks. This year, Montana-Wyoming ads will appear in **Sunset**, **Family Circle** and **Better Homes and Gardens**.

- **Super Coupon Program.** In order to stretch promotional dollars further, the division has devised a campaign that includes private sector advertising contributions. Ads appearing in five national magazines contain checklists for specific recreational interests. Upon receiving the inquiries, the Montana Promotion Division sends the names to businesses that have agreed to mail their own brochures to the interested parties. Categories include fishing, hunting, resorts/guest ranches, golf courses, hotels/motels and more.

This year, 73 businesses purchased the mailing lists and the program appears to be serving the needs of both the public and private sector.

TRAVEL RENDEZVOUS ON TAP

Interested in finding out more about the travel industry? Then join your travel colleagues and other industry representatives from Montana, Idaho and Wyoming at the 1986 Tri-State Travel Rendezvous.

The Rendezvous will be held May 16-17 at the Old Faithful Inn in Yellowstone National Park. Montana co-sponsors the biennial meeting with Idaho and Wyoming.

Informative speakers and how-to workshops are part of an exciting agenda. Highlights of the conference include:

- speaker Andy Coe from **Sunset Magazine** discussing western travel trends;
- workshops on capturing more of the bus tour market, on small business marketing secrets and on running a successful tourism organization; and
- dinner on Friday evening followed by big band entertainment.

Limited exhibiting space is available at a cost of \$50. The registration fee for individuals is \$65, which includes three meals. For reservations at Old Faithful Inn, contact Chris Scott at TW Services in Yellowstone National Park, (307) 344-7901.



COUNCIL TACKLES ISSUES

Agriculture, business climate and insurance

The Governor's Council on Economic Development, created by Governor Ted Schwinden in 1983 as part of the Build Montana program, is currently taking the lead in finding solutions to the insurance crisis, agricultural debt problems and business climate issues. After receiving a charge from Governor Schwinden in December of 1985, the council formed three subcommittees to analyze these particular issues.

The Insurance Subcommittee, chaired by Kay Foster of Billings, recently drafted a letter to the governor supporting legislative action during the special session to place referenda on the November ballot. The subcommittee supports the opportunity to amend the Montana Constitution allowing the Legislature to enact liability limits for government entities and businesses.

The subcommittee has met twice in 1986 and plans additional meetings to address the issue of punitive damages, tavern-owner liability and proposed re-insurance programs for the state.

The Agricultural Debt Subcommittee met for the first time on March 4, 1986, and immediately endorsed the inclusion of agricultural problems in the special legislative session list of issues. The subcommittee also supports a financial counseling program for struggling farmers and ranchers.



According to Chairman Mike Grove, the subcommittee will communicate its agricultural finance suggestions to Senator Ted Neuman for consideration during the special session. The subcommittee's major concerns are that any measures adopted be workable and make capital immediately available to meet the needs of farmers and bankers.

The Business Climate Subcommittee, chaired by Carol Daly of Kalispell, met in January of this year and again in mid-March. The subcommittee is currently reviewing Montana's tax system and plans to

decide whether the state's unitary accounting procedure is an impediment to business investment in Montana. The unitary tax was addressed by the council in one of its 1984 recommendations to the Legislature. With more information on tax calculations and revenue projections being available, the subcommittee feels that now is a good time to address the issue. The subcommittee is also considering recent business climate surveys and a review of Montana's business tax incentives.

POPULATION TRENDS

Montana's population increased by five percent in the period 1980 through 1985 according to a report issued by the U.S. Department of Commerce, Bureau of the Census. The results were part of an overall picture that showed the western region of the United States leading all geographic areas with a 10.8 percent growth rate. The national average for the period increased by 5.4 percent.

Montana's population increase is mainly attributed to births balanced against a net migration factor of zero. That is, about the same number of people left the state as moved here between 1980 and 1985, while the birthrate accounted for the 39,000 person increase.

AERONAUTICS CONFERENCE

The Montana Aeronautics Division, in cooperation with Montana's aviation organizations, sponsored the second Montana Statewide Aviation Conference on March 12-15 in Billings. Booth exhibitors representing 46 aviation industry firms from throughout the United States were at the trade show held in conjunction with the conference.



The event, the largest of its kind ever held in Montana, brought together members of Montana's aviation organizations and the aviation community for three days of meetings, seminars and educational sessions. Montana aviation organizations represented included the Montana Aviation Trades Association (host organization this year), the Montana Pilots Association, the Montana Flying Farmers, the Montana Airport Management Association, the Montana 99s, the Montana Antique Aircraft Association and local chapters of the Experimental Aircraft Association.

Educational sessions included such topics as mountain flying, aviation medicine, the production of air shows, insurance trends, high altitude flying, airport improvement projects, severe weather flying and aircraft taxation.

ESTIMATES OF THE RESIDENT POPULATION OF STATES, JULY 1, 1984 AND 1985
(Numbers in thousands. Includes armed forces residing in each state)

Region, Division and State	July 1, 1985 (provisional)	July 1, 1984	April 1, 1980 (census)	Change, 1980-85 Number Percent
UNITED STATES	238,740	236,495	226,546	12,194 5.4
Northeast	49,859	49,728	49,135	724 1.5
New England	12,660	12,578	12,348	311 2.5
Middle Atlantic	37,199	37,150	36,787	412 1.1
Midwest	59,197	59,078	58,866	331 0.6
East North Central	41,642	41,574	41,682	-40 -0.1
West North Central	17,555	17,504	17,183	371 2.2
South	81,858	80,765	75,372	6,486 8.6
South Atlantic	40,227	39,533	36,959	3,268 8.8
East South Central	15,122	15,033	14,666	455 3.1
West South Central	26,510	26,199	23,747	2,763 11.6
West	47,826	46,924	43,172	4,654 10.8
Mountain	12,789	12,563	11,373	1,416 12.5
Pacific	35,037	34,361	31,800	3,237 10.2
Mountain				
Montana	826	823	787	40 5.0
Idaho	1,005	999	944	61 6.4
Wyoming	509	513	470	40 8.5
Colorado	3,231	3,190	2,890	341 11.8
New Mexico	1,450	1,426	1,303	147 11.3
Arizona	3,187	3,072	2,718	469 17.2
Utah	1,645	1,623	1,461	184 12.6
Nevada	936	917	800	135 16.9

Note: some figures may not balance because of rounding to the nearest thousand

CERTIFIED CITIES

A program on the move

A Community Development Committee, composed of Montana Ambassadors and members of the Montana Economic Development Association, guides the Certified Cities program. That committee met in Billings on February 26 during the Ambassadors annual meeting to review the status of program participants and discuss the certification process. There was also a lively discussion about the growing liability risk to financial packagers.

The committee decided that the certification process should emphasize developing and documenting the financial resource capabilities of a community rather than its packaging capabilities. Attendance at the financial workshop will not be mandatory for certification although the need for training will continue to be stressed.

The committee developed a certification process that includes a pre-certification visit by the department and the Montana Economic Development Association, and a certification visit by a team of Montana Ambassadors who will be briefed by the pre-certification team. The pre-certification visit will assess the readiness of a community for certification. The evaluation will be reviewed with the community so that any recommended program changes can be completed prior to the certification visit.

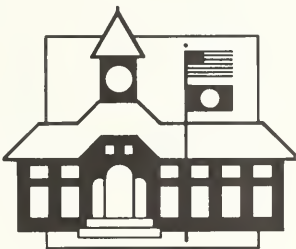


The committee also decided to ask the Montana Economic Development Association to recommend a follow-up program for certified cities. It reaffirmed the program goal of providing the Department of Commerce with a needs assessment report, which can guide the department's local assistance program.

An awards and banquet committee was appointed to organize the final certification banquet. A mailing that explains the certification criteria and procedures is scheduled for March.

Community organizers report

Certified Cities program participants have reported to the department that the program, as hoped, is providing direction and focus for local development efforts. Established organizations and new groups alike are finding that a little structure can make a big contribution to motivation and enthusiasm.



Havre was overwhelmed by the response to its community attitude survey that will provide parameters for the community's economic development strategy. Following a publicity program, the city hall was packed in sub-zero weather with citizens eager to collect and distribute surveys to their assigned neighborhoods.

For additional information contact Tony Preite, Bear Paw Development Corporation, P.O. Box 1549, Havre 59501, 265-9226.

The **Gallatin Development Corporation** reports an extensive committee structure with 75 active members. Its Financial Resource Committee developed a unique survey approach in order to identify how it might increase its own capabilities and that of the financial community. The committee includes members from financial institutions and business people.

The group began with the perception that financial institutions are not always aware of the special needs of manufacturing firms. Consequently, committee survey teams visited both financial institutions and business people known for creative financing programs and confirmed that perception. The survey will now provide the corporation with the necessary information to continue with its implementation program.

Contact Doris Fischer, Gallatin Development Corporation, P.O. Box 1114, Bozeman 59715, 587-3113, for additional information.

Great Falls has also found that the business survey program is an excellent way to involve the business community. A mail survey asked 450 randomly selected businesses to identify their most critical problems. Follow-up visitations to the respondents are scheduled by teams with expertise in the identified problem areas.

For more information contact Ron Oberlander, president, Venture Corporation, Box 1273, Great Falls 59403, 761-5036.

Report your program achievements. Information that you would like to share should be received by April 25 by Ann Mulroney, Local Development Officer, Department of Commerce, 1424 9th Avenue, Helena 59620, or call 444-3458.

SMALL BUSINESS CONFERENCE

The Montana White House Conference on Small Business will be held in Billings on May 6; registration brochures are currently being mailed to small businesses throughout the state. To participate in the conference one must be an owner, partner or corporate officer of a small business employing fewer than 500. Interested persons may attend as observers even if not chosen as a delegate.

Participants in the Montana conference will select 10 delegates to the national White House Conference on Small Business in Washington, D.C. An additional 5 delegates will be appointed by the governor and Montana's congressional delegation. The Montana conference is designed to develop recommendations on issues of particular concern to Montana business people. George Anderson, chairman of the conference steering committee, said that the conference recommendations will also be presented to the governor and the 1987 Montana Legislature.

Issues on the agenda include tax reform, financing for small businesses, economic policy, federal regulations and paperwork, small business education and training, international trade, payroll costs and procurement. Anderson, who was chairman of the Montana delegation in 1980, reported that two-thirds of the recommendations presented to the president and Congress by the 1980 White House Conference have received legislative or administrative action and he urged small-business people to participate fully in the Montana session.



- March 25, **Montana Science and Technology Alliance**, Investment Committee and Technology Transfer Committee meetings, Helena, Department of Commerce lower level conference room.
- April 4, **Montana Economic Development Board** meeting, Miles City.
- April 7-8, **Montana Science and Technology Alliance** board meeting, Helena, Department of Commerce lower level conference room.
- April 11, **Governor's Council on Economic Development**, Insurance Subcommittee, Helena, Governor's Conference Room.

TO REGULATE OR NOT

...the other side of the coin

To the public, the word regulation often conjures visions of heavy-handed, over-staffed state bureaus whose sole purpose is to make life difficult for those who are regulated. Most times, happily, these impressions are ill formed because of a lack of information about the functions of regulatory bodies. In many instances those who are regulated have as much to gain from the process as the regulators.

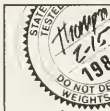
The history of work to standardize weights and measures, for example, reveals efforts to assure fair competition and value comparison in the marketplace. The philosophy behind the Weights and Measures Bureau is "equity prevails in all transactions." Rules and regulations of the bureau were enacted principally to ensure commercial accuracy in the sale and exchange of commodities.

In this spirit, it is the job of state inspectors to seek out and find those who would systematically rob by crooked weights and measures; however, it is usually the same inspector who, through his knowledge and expertise, discovers that a merchant is giving products away. The latter happens in

most instances. Worn meters in retail pumps, for example, may dispense more product than is metered, particles lodged in a weigh beam can cause a rancher to give pounds of cattle away to a buyer, and improper temperature compensation can cause a liquid petroleum gas dealer to vend more than measured.

These examples, which are quite common, cause the owners of measuring devices to enjoy seeing the inspectors on a regular basis and make the process of regulation ultimately a more pleasant task.

- The National Bureau of Standards designated March 1-7 as National Weights and Measures Week in order to educate the nation further about the service rendered by weights and measures officials in every jurisdiction.



Licensing cycle continues

The Professional and Occupational Licensing Bureau processes approximately 55,000 licenses annually for 70 different professions throughout the state. The largest number is for nearly 12,000 nurses—a profession that includes registered nurses, practical nurses, nurse midwives, nurse anesthetists and nurse practitioners.

The nurses renew their licenses on an annual basis, January 1 to December 31. When one considers all the complex steps involved in processing each license renewal, even the sheer volume of mail—12,000 envelopes—can be staggering.

This past year, for the first time, the Board of Nursing office included an information sheet designed to assist the nurses with the renewal application. The results were gratifying—1,300 additional renewal applications were processed in the same amount of time.

Automation is also coming to the Department of Commerce. You can expect the change to both streamline and improve the licensing procedure for everyone involved.

Can We Help You?

Keith L. Colbo, Director
Business Assistance Division, Byron Roberts, *Administrator*
Business Regulation Division, W. James Kembel, *Administrator*
Legal Division and Consumer Affairs, Brinton Markle, *Chief Counsel*
Local Government Assistance Division, Newell Anderson, *Administrator*
Montana Board of Housing, Jay McLeod, *Administrator*
Montana Economic Development Board, Robert Pancich, *Administrator*
Montana Health Facility Authority, Jack Nielson, *Administrator*
Office of Economic Analysis, Steve Huntington, *Administrator*
Montana Promotion Division, John Wilson, *Administrator*
Montana Science and Technology Alliance, Samuel Hubbard, *Executive Director*
Aeronautics Division, Michael Ferguson, *Administrator*
Financial Division, Fred Napier, *Administrator*
Transportation Division, William Fogarty, *Administrator*
Management Services Division, Andy Poole, *Administrator*
Coordinator of Indian Affairs, Donald Clayborn, *Coordinator*

444-3797
 444-3923
 444-3737
 444-4314
 444-3757
 444-3040
 444-2090
 444-5435
 444-3494
 444-2654
 444-3707
 444-2506
 444-2091
 444-3423
 444-3707
 444-3702

INSIDE COMMERCE
 1424 9th Avenue
 Helena, MT 59620

Please circulate INSIDE COMMERCE to your colleagues

Bulk Rate
 U.S. Postage
P A I D
 Helena, MT
 Permit No. 2